Charlie Davis Director

STATE OF ARKANSAS TOBACCO CONTROL BOARD

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DATE: JANUARY 20, 2000

TO: ARKANSAS CIGARETTE RETAILERS

FROM: CHARLIE DAVIS, DIRECTOR

SUBJECT: UNFAIR CIGARETTE SALES ACT

NOTICE

The Arkansas Tobacco Control Board has received complaints about rebate activity in regard to wholesalers offering rebates and some cases of retailers requesting rebates. These actions would be in violation of the Unfair Cigarette sales act.

PLEASE BE ADVISED THAT THE PROVISIONS OF THE UNFAIR CIGARETTE SALES ACT WILL BE STRICTLY ENFORCED.

Among the actions prohibited by the Unfair Cigarette Sales Act are:

- 1. For any <u>wholesaler or retailer</u> to <u>offer</u> a rebate in price, to <u>give</u> a rebate in price, to <u>offer</u> a concession of any kind, or to <u>give</u> a concession of any kind or nature in connection with the sale of cigarettes.
- 2. For any <u>retailer</u> to <u>induce</u> or <u>attempt</u> to <u>induce</u> or to <u>procure</u> or <u>attempt to procure</u> any rebate or concession of any kind or nature in connection with the purchase of cigarettes.
- 3. For any <u>wholesaler or retailer</u> to advertise, offer to sell, or sell, at retail or wholesale, cigarettes at less than the minimum price.
- 4. For any <u>retailer</u> to <u>induce</u> or <u>attempt</u> to <u>induce</u> or to <u>procure</u> or <u>attempt to procure</u> the purchase of cigarettes at a price less than the minimum price.

Any violation of the Arkansas Tobacco Products Tax or the Unfair Cigarette Sales Act is a criminal violation and also <u>subjects the company or individual to the suspension or revocation of any and all permits</u> or license. Violations will be taken seriously.

WE TRUST YOU WILL GOVERN YOURSELF ACCORDINGLY.